

RECEIVED
 11/13/12 11:12:10
 03/05/12 08:08:26

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended
December 31, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 03/10/03
000-01-000

M. Carleen Dumas
 CERTIFIED PUBLIC ACCOUNTANT

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended December 31, 2002

C O N T E N T S

	Statement	Page No.
Accountant's Compilation Report		3
Required Supplemental Information:		
Management's Discussion and Analysis		4
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Assets	A	8
Statement of Activities	B	9
Fund Financial Statements:		
Governmental Fund:		
Balance Sheet	C	10
Statement of Revenues, Expenditures and Changes in Fund Balances	D	11
Notes to the Financial Statements		13
	Schedule	Page No.
Required Supplemental Information:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	1	19

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana
Annual Financial Statements
As of and for the Year Ended December 31, 2002

C O N T E N T S (Contd.)

	Schedule	Page No.
Other Supplemental Information Schedules:		
Status of Prior Year Findings	1	12
Current Year Findings and Corrective Action Plan	1	13

M. Carleen Dumas
CERTIFIED PUBLIC ACCOUNTANT

389 DOWLINGSON ROAD • CALHOUN, LOUISIANA 71223 • TELEPHONE 318/644-5736

Accountant's Compilation Report

**BOARD OF COMMISSIONERS
EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana**

I have compiled the accompanying basic financial statements and supplemental information schedules, as listed in the foregoing table of contents, of the East Columbia Fire District as of December 31, 2002, and for the year then ended, in accordance with standards established by *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and schedules, information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance on them.

As described in Note 1 to the basic financial statements, the East Columbia Fire District adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of December 31, 2002. This results in a change in the format and content of the basic financial statements for the year ended December 31, 2002.



Calhoun, Louisiana
February 24, 2003

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2002

Our discussion and analysis of East Columbia Fire District's (hereinafter referred to as the District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2002. Please read it in conjunction with the District's financial statements that begin on page 8.

BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The *Statement of Net Assets* and the *Statement of Activities* on pages 8 and 9 provide information about the activities of the District and present a long-term view of the District's financial position. The fund financial statements presented on pages 10 and 11 provide information on how the operations of the District are financed in the short term as well as what remains for future spending. Fund financial statements report the District's operations in more detail than the government-wide statements.

The Statement of Net Assets and the Statement of Activities

The *Statement of Net Assets* and the *Statement of Activities* provide information in a way that shows the change in the District's financial condition resulting from the current year's activities. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net assets and the changes in them. Net assets - the difference between assets (what the District owns) and liabilities (what the District owes) is a way to measure the financial position of the District. Over time, increases or decreases in the District's net assets are an indicator of whether the District's financial position is improving or deteriorating.

In the *Statement of Net Assets* and the *Statement of Activities*, the District reports only governmental activities due to the fact that the District is engaged in one governmental program - fire protection. Sales taxes, intergovernmental revenues, and charges for services finance most of this activity.

EAST COLUMBIA FIRE DISTRICT

Columbia, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2002

Fund Financial Statements

The fund financial statements begin on page 11 and provide more detailed information about the District's funds. The District has only one fund, the General Fund, which is reported as a governmental fund. All of the services provided by the District are accounted for in the General Fund. Governmental funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations. Governmental fund information helps to determine whether there are more or fewer financial resources that are available to be spent in the next future.

The differences between governmental activities reported in the Statement of Net Assets and the Statement of Activities and the governmental funds reported in the fund financial statements are reported in a reconciliation at the bottom of the fund financial statements.

COMPARATIVE ANALYSIS OF FINANCIAL DATA

Government-Wide

The current year is the first period that the District has applied Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Therefore, prior year information derived from government-wide financial statements is not available. In future years, when prior-year information is available, a comparative analysis of government-wide data will be presented.

Governmental Funds

Total revenues increased from \$16,963 in 2001 to \$75,621 in 2002. The increase in revenues is due to the district receiving a nonrecurring federal grant of \$60,000 in order to purchase a fire truck. Total expenditures in 2002 increased \$90,253 from the 2001 total expenditures. The increase was due to the purchase of the fire truck for \$80,000 and the supplies and equipment needed to fully equip the truck.

EAST COLUMBIA FIRE DISTRICT

Columbia, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2002

OVERALL FINANCIAL POSITION

The District's net assets increased \$55,074 as a result of this year's operations. Unrestricted net assets (those assets available to finance the daily operations of the district) were \$38,924 at year end. The amount invested in capital assets was \$78,444 at year end.

DISTRICT'S FUNDS

At the end of the year, the District's General Fund reported an unreserved fund balance of \$38,924. The net change in unreserved fund balance for 2002 was a decrease of \$21,370. The primary reason for the decrease in unreserved fund balance were the capital outlay expenditures for the fire truck.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District amended its budget one time during the year. After 10 months of operations, the board compared actual operations with budgeted operations and determined that the actual amount of charges for services revenue was less than the amount budgeted for charges for services and the actual supplies expenditures were exceeding the budgeted supplies expenditures. At year end, actual revenues exceeded budgeted revenues by \$1,644 and actual expenditures exceeded budgeted expenditures by \$1,861.

CAPITAL ASSETS

At the end of the year, the District had capital assets (net of accumulated depreciation) totaling \$78,444. Capital assets include a vehicle that was purchased during 2002. Additional information about the District's capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District prepared its 2003 budget on the assumption that revenues and expenditures will remain fairly constant next year except that the district does not anticipate any federal grants or any major capital outlay expenditures during 2003. The District expects its General Fund fund balance to remain unchanged by the end of 2003.

BASIC FINANCIAL STATEMENTS

Statement A

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF NET ASSETS
December 31, 2002

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash	\$14,849
Investments	23,389
Receivables:	
Sales tax	143
Charges for services	690
Capital assets, net	78,444
TOTAL ASSETS	115,438
LIABILITIES	
Payroll taxes payable	60
NET ASSETS	
Invested in capital assets	78,444
Unrestricted	38,024
TOTAL NET ASSETS	\$115,368

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Statement B

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2002

	<u>GOVERNMENTAL ACTIVITIES</u>
Expenses:	
Public safety - fire protection	\$20,547
Program revenues:	
Charges for services	<u>8,438</u>
Net program expense	<u>12,109</u>
General revenues:	
Sales taxes	3,191
State fire insurance rebate	2,937
Federal grants	60,900
Interest earnings	<u>1,352</u>
Total general revenues	<u>67,480</u>
Change in net assets	55,374
Net assets - beginning	<u>60,294</u>
Net assets - ending	<u>\$115,668</u>

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
December 31, 2002

	<u>GENERAL FUND</u>
ASSETS	
Cash	\$14,449
Investments	13,207
Receivables:	
Sales tax	343
Charges for services	<u>690</u>
TOTAL ASSETS	<u>\$18,689</u>
LIABILITIES AND FUND BALANCES	
Liabilities - accounts payable	580
Fund balance - unreserved	<u>18,104</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$18,684</u>
Reconciliation of the Balance Sheet of Governmental Fund To the Statement of Net Assets:	
Fund balance - unreserved - General Fund	\$18,104
Amount reported for net assets of governmental activities in the Statement of Net Assets (Statement A) is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund	<u>76,441</u>
Net assets of governmental activities (Statement A)	<u>\$115,385</u>

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND**
For the Year Ended December 31, 2003

	<u>GENERAL FUND</u>
REVENUES	
Sales taxes	\$3,091
Intergovernmental revenues:	
Federal grant	60,000
State - fire insurance rebate	2,907
Charges for services	8,438
Interest earnings	<u>1,085</u>
Total revenues	<u>75,621</u>
EXPENDITURES	
Public safety - fire protection	
Current:	
Personal services and related benefits	1,679
Operating services	7,586
Materials and supplies	7,716
Capital outlay	<u>80,000</u>
Total expenditures	<u>96,981</u>
NET CHANGE IN FUND BALANCE	(21,370)
FUND BALANCE AT BEGINNING OF YEAR	<u>60,794</u>
FUND BALANCE AT END OF YEAR	<u>\$39,424</u>

(Continued)

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND (Contd.)
For the Year Ended December 31, 2002

	<u>GENERAL FUND</u>
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities:	
Net change in fund balance - General Fund	(\$21,378)
Amount reported for governmental activities in the Statement of Activities (Statement E) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	<u>76,444</u>
Change in net assets of governmental activities (Statement E)	<u>\$55,064</u>

(Concluded)

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2002

INTRODUCTION

The East Columbia Fire District was created by the Caldwell Parish Police Jury, as authorized by Louisiana Revised Statute 49:1482. The district is governed by a five member board appointed by the police jury. Board members serve without benefit of compensation. The district is responsible for providing fire protection within the boundaries of the district. The district has one part-time employee.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the East Columbia Fire District is considered a component unit of the Caldwell Parish Police Jury. As a component unit, the accompanying financial statements may be included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the confidentialary activities of the East Columbia Fire District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

Separate financial statements are provided for governmental funds and proprietary funds. All individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements. The East Columbia Fire District has only one governmental fund.

**B. Measurement Focus, Basis of Accounting, and
Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales taxes and charges for services associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the district.

The East Columbia Fire District reports the following governmental fund:

General Fund

The General fund is the general operating fund of the district and accounts for all financial resources.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1988, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

C. Deposits and Investments

Cash includes amounts in interest-bearing demand deposits. State law allows the district to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 2002, the district's investments consist of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost.

D. Receivables

The district receives a pro-rata share of a one-fourth of one percent parishwide (excluding the Town of Columbia) sales tax approved by the voters in Calumet Parish on October 18, 1983 for fire protection in the parish. The sales tax is collected by the police jury and remitted to the district net of its pro-rata share of the cost of collection.

These statements contain no provision for uncollectible accounts. The district is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole.

E. Capital Assets

Capital assets, which consist of vehicles are reported in the governmental activities column in the government-wide financial statements. All of the district's capital assets are capitalized at historical cost. The East Columbia Fire District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

All capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Estimated</u>
	<u>Lives</u>
Vehicles	15 years

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

F. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. At December 31, 2003, the district's governmental fund balance was unreserved and undesignated.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosures, and revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**3. STEWARDSHIP, COMPLIANCE, AND
ACCOUNTABILITY**

A. Budget Information

The East Columbia Fire District uses the following budget practices:

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is formally adopted by the board of commissioners at the December board meeting each year. The budget is established and controlled by the board at the object level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Encumbrance accounting is not used by the district. All changes in the budget must be approved by the board of commissioners.

Budgeted amounts included in the accompanying financial statements include the original adopted budget and subsequent amendments.

B. Excess Expenditures Over Appropriations

The General Fund had actual expenditures over budgeted expenditures of \$1,861 or 1.95% of total fund budgeted expenditures.

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

3. DEPOSITS IN FINANCIAL INSTITUTIONS

At December 31, 2002, the district has cash and investments as follows:

Demand deposit	\$14,849
Certificates of deposit	<u>25,392</u>
Total	<u>\$38,651</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Cash and investments (bank balances) at December 31, 2002, are fully secured from risk by federal deposit insurance.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2002, is as follows:

	Balance at January 1, 2002	Increases	Decreases	Balance at December 31, 2002
Governmental activities:				
Capital assets being depreciated:				
Vehicles	NONE	\$80,000		\$80,000
Less accumulated depreciation for:				
Vehicles	<u>NONE</u>	<u>3,356</u>		<u>3,356</u>
Total assets being depreciated, net	<u>NONE</u>	<u>\$76,644</u>	<u>NONE</u>	<u>\$76,644</u>

Depreciation expense of \$3,356 for the year ended December 31, 2002 was charged to the public safety - fire protection governmental function.

See accountant's compilation report.

REQUIRED SUPPLEMENTAL INFORMATION

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual Amount (Budgetary Base - GAAP)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales taxes	\$2,500	\$2,800	\$3,141	\$391
Intergovernmental revenues:				
Federal grant	60,000	60,000	60,000	
State fire insurance rebate	2,900	2,857	2,937	
Charges for services	9,000	8,380	8,438	238
Interest earnings			1,855	1,855
Total revenues	<u>74,400</u>	<u>73,937</u>	<u>75,821</u>	<u>1,684</u>
EXPENDITURES				
Public safety - fire protection				
Personal services and related benefits	1,400	1,680	1,679	1
Operating services	2,250	1,450	1,588	(6,156)
Materials and supplies	750	7,000	7,726	(7,250)
Capital outlay	<u>85,000</u>	<u>85,000</u>	<u>80,000</u>	<u>5,000</u>
Total expenditures	<u>89,400</u>	<u>94,130</u>	<u>89,993</u>	<u>(1,881)</u>
NET CHANGE IN FUND BALANCE	(15,400)	(21,193)	(13,172)	(177)
FUND BALANCE AT BEGINNING OF YEAR	<u>58,000</u>	<u>51,294</u>	<u>60,284</u>	<u>(1,000)</u>
FUND BALANCE AT END OF YEAR	<u>\$42,600</u>	<u>\$49,101</u>	<u>\$47,112</u>	<u>\$(1,177)</u>

See accountant's compilation report.

OTHER SUPPLEMENTAL INFORMATION SCHEDULES

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

OTHER SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended December 31, 2003

STATUS OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 2.

**CURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN**

The corrective action plan for current year findings is presented in Schedule 3.

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, LouisianaSTATUS OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2022

Reference Number	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Planned Corrective Action
---------------------	--	------------------------	-------------------------------	---------------------------------

There were no prior year findings.

EAST COLUMBIA FIRE DISTRICT
Columbia, LouisianaCURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2002

<u>Reference</u> <u>Number</u>	<u>Description of Finding</u>	<u>Corrective</u> <u>Action</u> <u>Planned</u>	<u>Name of</u> <u>Contact Person</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
-----------------------------------	-------------------------------	--	---	--

There are no current year findings.

See accountant's compilation report.